

THE COMMONWEALTH OF MASSACHUSETTS
CITY OF LOWELL

In City Council

LOAN ORDER
(Amending High School Project)

To borrow \$36,185,757, in addition to the \$381,967,231 previously authorized to be borrowed by vote of the City Council on May 7, 2019 and March 29, 2022 to pay costs of designing, constructing, equipping and furnishing an additional and renovation project at Lowell High School, located at 50 Farther Morisette Boulevard, Lowell, including the payment of all costs incidental and related thereto. The amount authorized by this order represents the total project budget for this project, as approved by the Massachusetts School Building Authority, and is inclusive of all amounts previously appropriated to pay costs of the Project.

IT IS ORDERED BY THE CITY COUNCIL OF THE CITY OF LOWELL BY A TWO-THIRDS VOTE OF ALL OF ITS MEMBERS, as follows:

Ordered: That the Loan Order adopted by the City Council on May 7, 2019, as amended on March 29, 2022 which appropriated \$381,967,231 to pay costs of designing, constructing, equipping and furnishing an addition and renovation project at Lowell High School, located at 50 Father Morisette Boulevard, Lowell, including the payment of all costs incidental or related thereto (the “Project”) be amended to appropriate an additional \$36,185,757 to be met by borrowing for a total of \$418,152,988 for the Project so that the said Loan Order shall now read as follows:

That the City appropriates the amount of Four Hundred Eighteen Million One Hundred Fifty-Two Thousand Nine Hundred Eighty-Eight Dollars (\$418,152,988) for the purpose of paying additional costs of designing, constructing, equipping and furnishing an addition and renovation project at Lowell High School, located at 50 Father Morisette Boulevard, Lowell, including the payment of all costs incidental or related thereto (the “Project”), which school facility shall have an anticipated useful life as an educational facility for the instruction of school children for at least 50 years, and for which the City may be eligible for a grant from the Massachusetts School Building Authority (“MSBA”), said amount to be expended under the direction of the School Committee. The amount appropriated by this order represents the total project budget for the Project as approved by the MSBA, and is inclusive of all amounts previously appropriated to pay costs of the Project. To meet this appropriation the Treasurer, with the approval of the City Manager, is authorized to borrow said amount under M.G.L. Chapter 44, or pursuant to any other enabling authority. The City acknowledges that the MSBA’s grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the City incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the City; provided further that any grant that City may receive from the MSBA for the Project shall not exceed the lesser of (1) eighty percent (80%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by

the MSBA; and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the City and the MSBA. That the Treasurer is authorized to file an application with the appropriate officials of The Commonwealth of Massachusetts (the “Commonwealth”) to qualify under chapter 44A of the General Laws any and all bonds of the City issued pursuant to this order, and to provide such information and execute such documents as such officials of the commonwealth may require in connection therewith.

Order:Loan/LHS



Conor Baldwin
Assistant City Manager/ CFO

Austin Ball
Deputy CFO

MEMORANDUM

TO: Thomas A. Golden, Jr., City Manager
FROM: Conor Baldwin, Assistant City Manager/ CFO 
CC: Austin Ball, Deputy CFO
DATE: January 6, 2025
SUBJECT: Financial Analysis of Amended Loan Order for Lowell High School Project

I. Purpose

This memorandum provides a financial analysis to accompany the amended loan order authorizing an additional **\$36,185,757** in borrowing for the Lowell High School (LHS) construction project. It includes:

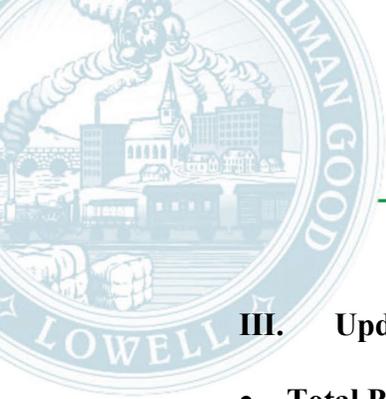
- An overview of the updated project cost
- Current and projected debt service
- Estimated tax impact on the average single-family homeowner

This analysis is intended to inform both the City Council and the public.

II. Amended Loan Order Language

The proposed amendment reads, in part, as follows:

*“[...] That the Loan Order adopted by the City Council on May 7, 2019, as amended on March 29, 2022, which appropriated **\$381,967,231** to pay costs of designing, constructing, equipping, and furnishing an addition and renovation project at Lowell High School, located at 50 Father Morissette Boulevard, Lowell, including the payment of all costs incidental or related thereto (the “Project”), be amended to appropriate an additional **\$36,185,757** to be met by borrowing for a total of **\$418,152,988** [...]”*



Conor Baldwin
 Assistant City Manager/ CFO

Austin Ball
 Deputy CFO

III. Updated Current Project Budget Status (as of October 2025)¹

- **Total Project Budget:** \$381,967,231
- **Encumbered to Date:** \$372,736,837
- **Invoiced to Date:** \$306,821,933
- **MSBA Reimbursement to Date:** \$207,336,907

a. LHS Project Budget (Existing) Breakdown by Cost Category:

Category	Amount
Feasibility Study	\$2,600,000
Architecture, Engineering & OPM	\$35,545,082
CM Preconstruction	\$800,000
CM Construction	\$324,359,376
Utilities, Testing & Moving	\$2,286,257
FF&E and Technology	\$12,521,267
Construction Contingency	\$2,053,375
Owner's Contingency	\$1,801,874
TOTAL	\$381,967,231

IV. Existing Debt Service – Context and Growth

<i>Fiscal Year</i>	Total Debt Service (GF)	LHS Debt Service	LHS Debt as % Total Debt Service
<i>FY2021</i>	\$10,851,963	\$311,896	2.87%
<i>FY2022</i>	\$12,866,623	\$1,100,278	8.55%
<i>FY2023</i>	\$12,536,032	\$1,918,386	15.30%
<i>FY2024</i>	\$12,959,707	\$2,989,523	23.07%
<i>FY2025</i>	\$17,547,831	\$4,773,609	27.21%
<i>FY2026</i>	\$20,577,300	\$6,401,466	31.11%
<i>FY2027</i>	\$23,202,439	\$8,058,365	34.73%

Since FY2021, the Lowell High School project has represented a growing share of the City's overall debt service obligations. In FY2021, LHS debt service accounted for just 2.87% of total General Fund debt service. By FY2024, this share had increased to 23.07%, and with the

¹ (Data provided by Skanska, Owner's Project Manager, as presented to the LHS School Building Committee on November 20, 2025)



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Austin Ball
 Deputy CFO

issuance of additional bonds in FY2025 and FY2026, the percentage climbed to 31.11%. Based on current projections, LHS debt service will represent approximately 34.73% of total General Fund debt service in FY2027. This trend reflects the phased financing approach for the high school construction project and underscores the importance of long-term planning to manage the City’s debt capacity and budgetary impact.

V. Estimated Tax Impact of Amended \$36.2M Bond

Assuming a 4.5% interest rate over 30 years, the estimated annual debt service for the additional borrowing is \$2,239,653, on a level-debt basis. If the loan order is approved by the City Council, this amount would increase the City’s tax levy by approximately \$1.78 million for residential properties and \$456,000 for commercial properties, resulting in an estimated tax rate increase of \$0.14 per \$1,000 for residential and \$0.26 per \$1,000 for commercial property.

For the average single-family home in Lowell, assessed at \$514,854 (FY2026), this equates to an annual increase of about \$72. For context, a home assessed at \$250,000 would see an increase of \$35 per year, while a home assessed at \$750,000 would see an increase of \$105 per year. Commercial properties would experience a proportional increase, with a \$250,000 CIP parcel rising by \$65 annually.

Sample Tax Impact Table

Property Type	Assessed Value	Current Tax Bill	Estimated Increase
Single-Family	\$250,000	\$2,837.50	\$35
Single-Family	\$350,000	\$3,972.50	\$49
Single-Family	\$450,000	\$5,107.50	\$63
Single-Family	\$550,000	\$6,242.50	\$77
Single-Family	\$750,000	\$8,512.50	\$105
Single-Family (Avg.)	\$514,854	\$5,844	\$72
Commercial (CIP)	\$250,000	\$5,510	\$65

VI. Conclusion

The Lowell High School project remains the largest capital investment in the City’s history. While the MSBA grant offsets a significant portion of the cost, the local share—particularly the proposed \$36.2 million amendment—will have a measurable impact on debt service and residential tax burden. Approval of this borrowing will keep the City within its long-term financial planning parameters, and the tax impact will be phased in predictably over time. Please let me know if additional analysis or public communication materials are needed.



Thomas A. Golden, Jr.
City Manager

January 6, 2026

The Honorable Mayor
And Members of the Lowell City Council

Dear Honorable Mayor and Members of the Lowell City Council,

I hereby submit to you, enclosed with this letter, a loan order to amend the existing funding for the Lowell High School project in the amount of **\$36,185,757**.

As the Council is aware, the City entered into a project funding agreement (“PFA”) with the Massachusetts School Building Authority (“MSBA”) for construction and renovation at the Lowell High School site on November 13, 2020, under a multi-phased approach. At the June 24, 2025 City Council meeting, representatives from the high school project team provided an outline of the budget issues and further details on how additional funding would be utilized.

Since that time, the Administration has worked closely with the project team, including: the Owner’s Project Manager (“OPM”), the Architect, and Construction Manager, and the School Building Committee to refine the budget and identify cost reductions. The revised loan order reflects adjustments including reductions in contingency and negotiated fee reductions with project consultants. This proposal ensures that the project can continue without delay while maintaining fiscal responsibility.

It is important to note that approval of the amended order does not preclude the City from seeking outside funding to offset any impact on the taxpayers. It will, however, provide the necessary authorization to keep construction moving forward. The amount included in the loan order also includes all amounts previously authorized. The enclosed vote language has been reviewed and approved by the City’s bond counsel.

Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,

Thomas A. Golden, Jr.
City Manager

CC: Conor Baldwin, Assistant City Manager/ CFO
Theodoros Panagiotopoulos, City Treasurer/ Collector